

ASSESSMENT MANUAL

A Handbook for Conducting Private
Sector Country Assessments



COMMERCIAL MARKET STRATEGIES
NEW DIRECTIONS IN REPRODUCTIVE HEALTH

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Name

Country

Date

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INTRODUCTION

The Commercial Market Strategies (CMS) project is a five-year contract being implemented under the new Commercial and Private Sector Strategies (CAPS) Results Package of USAID's Center for Population, Health and Nutrition (G/PHN). As the "flagship" project of CAPS, CMS aims to increase the use of family planning and related health products and/or services through the private/ commercial sectors.

In order to fulfill its mandate, CMS will conduct technical assessments in selected countries to evaluate the current conditions and markets for family planning and related health care (FP/RHC)*. Based on these conditions, the assessment will recommend appropriate CMS program interventions for the selected country.

This handbook presents the country assessment process and serves as a guide for conducting technical assessments to determine the potential for private sector FP/RHC interventions in a selected country. This handbook serves the following purposes:

1. To ensure that the objectives and major components of the CMS contract are addressed and considered when evaluating conditions in selected countries.
2. To provide practical guidelines to CMS team members when gathering data and assessing opportunities for private sector FP/RHC interventions in selected countries.
3. To outline a consistent approach for CMS team members to use when conducting technical assessments and developing program interventions in selected countries.

Listed throughout this handbook are key questions to help CMS team members gather all the necessary data, to analyze the conditions, and to help identify potential areas of opportunity that exist for FP/RHC intervention within a selected country. The questions are presented in a "checklist format" and include brief commentaries to help illuminate the importance of the data to be gathered. Though the list of questions aims to address as much of the technical areas of the project as possible, it is by no means complete. Each assessment and the corresponding areas of focus will vary by country. As each assessment is conducted, lessons learned from each experience will provide inputs to help refine subsequent assessments and the process itself further.

The notes and commentaries in this handbook reflect some of the insights and lessons learned from past efforts. The resulting analysis and proposed areas of focus for each country should depend mostly on the judgment and recommendations of the country assessment team members, and on guidance from USAID.

* *Related Health Care (RHC) services include maternal and child health care services, reproductive health care services, and prevention efforts for AIDS and STDs.*

SECTION I

presents the CAPS Results Framework, its strategic objectives and intermediate results, which defines the country assessment process and its main components.

SECTION II

discusses each component of the assessment process and lists some of the key questions to address each component. The questions are presented in checklist form, along with brief commentaries that can serve as a guide to members of the assessment team. A checklist of questions (without commentaries) is found as Appendix A at the end of this handbook.

SECTION III

lists suggested secondary research sources and interviews for gathering information.

Information and analysis resulting from the assessment process is to be outlined and presented in a country assessment document. A suggested outline is shown in the Appendix.

SECTION I

The Country Assessment Process

THE COUNTRY ASSESSMENT PROCESS

OBJECTIVES AND STRATEGIES OF CMS

The Country Assessment process is based on the CMS Results Framework, which outlines the Strategic Objective and Intermediate Results of the CMS contract. These are presented below:

- Strategic Objective of CMS:** Increased use of quality family planning and other health products and services through private sector partners and commercial strategies.
- Intermediate Result 1:** Increasing the demand for family planning and other health products and services from the private sector.
- Intermediate Result 2:** Increasing the supply of quality family planning and other health products and services through commercial approaches.
- Intermediate Result 3:** Improving the environment for sustainable delivery of family planning and other health products and services through the private sector.

THE PROCESS

The Country Assessment process consists of five components. Each component is discussed briefly below:

1. General background research

A large amount of general information and pertinent data on a country is usually available through secondary research sources and interviews conducted prior to travel to a country. Valuable information can be obtained from CMS consortium staff members, PHN country backstops, and representatives of development organizations. This general research can help identify particular areas of focus that may warrant further data gathering and analysis during travel to the country.

2. Analysis of demand for family planning / related health care

To address the first intermediate result, the assessment team should use data gathered to analyze the existing and potential demand for FP/RHC interventions, and understand the main factors that affect demand. This analysis should help team members determine whether or not there are potential opportunities that exist within the country to create or increase demand for FP/RHC products and services.

3. Analysis of supply for family planning / related health care

The second intermediate result requires an understanding of the existing sources of supply for FP/RHC products and services. This analysis should include an examination of the health care providers, their products and/or services, customer targets and factors that impact on the commercial viability of providing FP/RHC products and/or services. This analysis should also include an examination of the roles of the public and private sectors (both NGO and commercial organizations) in delivering family planning and related services.

4. Assessment of financing options

Understanding the financing of FP/RHC services, i.e. assessing who is paying for the products/services, is an important component of the supply analysis. However, financing issues are treated separately because they are often a significant constraint or barrier to the effective provision of products and or services in the private sector. Analyzing financing options, such as health care insurance and third-party payment mechanisms, may reveal ways to increase coverage and client volumes for providers and may help identify more specific interventions by CMS, including a possible role for the Summa Fund.

5. Assessment of the environment and related policy issues

The third intermediate result states that CMS aims to improve public and private sector environments to support increasing demand, supply, appropriate regulation and data systems for policy planning. Therefore existing policy and regulatory frameworks should be examined in order to determine whether there is potential for CMS to improve the general environment for FP/RHC products and services.

The diagram on the next page illustrates how the CAPS results package, particularly its Strategic Objective and Intermediate Results, influence or guide the country assessment process and the resulting interventions identified through the assessment process. The aim of the assessment is to conduct as broad an analysis of factors affecting demand, supply and regulatory/policy issues impacting family planning and reproductive health care delivery. The analysis should take into account any health care reform being contemplated, the role of the public sector (both central, regional and local), the strategies and activities being supported by donors, and efforts being implemented by local, "grass roots" organizations.

The Process

CAPS RESULTS FRAMEWORK

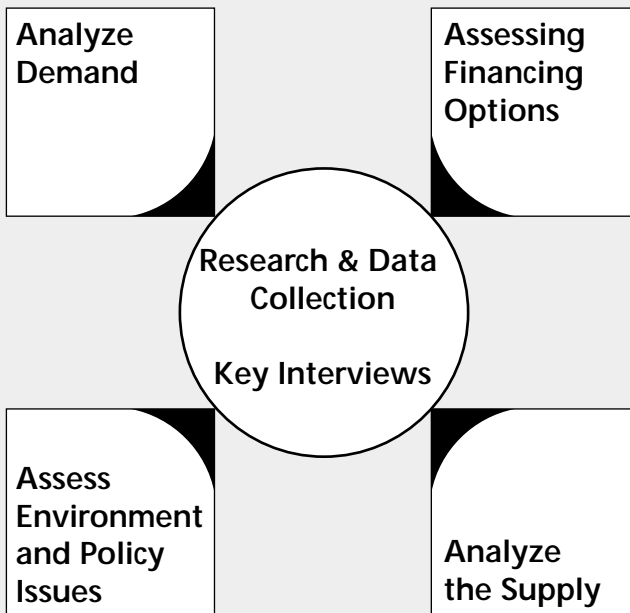
Strategic Objective:

To Increase use of family planning/RHC Through private sector & commercial strategies

Intermediate Results (IR):

1. Increase demand for FP/RHC through private sector
2. Increase supply of FP/RHC through commercial approaches
3. Improve the environment for sustainable delivery of FP/RHC through the private sector

CMS COUNTRY ASSESSMENT PROCESS



CMS WORKPLAN

Define potential areas of intervention and Country Strategy

SECTION II

Key Questions

KEY QUESTIONS

General Background Research

GENERAL BACKGROUND RESEARCH

A large portion of the assessment process involves research of relevant documents prior to an assessment trip. Demographic and Health Surveys (DHS) or other similar country health surveys funded by private groups or the government contain key information and should be reviewed thoroughly prior to visiting the country (Please see section IV which lists various information sources in more detail).

1. POPULATION AND DEMOGRAPHIC INDICATORS

Through initial secondary research, it is important to gauge whether the prevailing environment in the country supports private sector activity in general, and private sector activities for FP/RCH in particular. Such a review can often provide general indications on the suitability of a country for commercial sector interventions. For instance, it has been found in previous cases that countries with larger population sizes are often more attractive to the private sector than countries with smaller population sizes because of the size of the potential market. Analyzing growth trends in the population over the last few years can also serve as an indicator on the potential size of the market. However, this should be balanced by population density and the growing demand for services in smaller countries.

Important population and demographic indicators are widely available for various countries and provide helpful description of the market for FP/RHC. One such indicator is the contraceptive prevalence rate (CPR), defined as the percentage of married women of reproductive age (MWRA), ages 15-49, who use family planning. The CPR in a given country is indicative of the demand for family planning. The country's method mix is also helpful in showing the prevalence of modern methods versus traditional methods. Child spacing and the total fertility rate are also important indicators to consider when looking at overall demographic trends.

Secondary research can also yield good general information about the country's health sector, including how health care services are delivered or obtained compared to family planning/related health care services in particular. It also helps to understand the role of the private sector versus the public sector in providing health care, the preferred health care financing methods, or any health care reforms that are being instituted. Basic health care indicators such as infant and child mortality provide early clues on the status of basic health care services in the selected country, including any barriers or other factors that hinder access to health care services. Some of the key questions to address during the early research phase are:

- What is the current population of the country?
- What are the trends in population growth for the country in the last few years?
- What is the age structure and average age of marriage?
- What is the current contraceptive prevalence rate?
- What is the method mix?
- What is the total fertility rate?
- What is the status of the health care sector, particularly in reference to provision of maternal/child, reproductive health care services, AIDS and STD prevention?
- What is the infant mortality and total fertility rate?

2. ECONOMIC AND DEVELOPMENT INDICATORS

Successful private sector FP/RHC interventions require that consumers have sufficient disposable income to pay for the products and services. Relative measures often used to assess the economic environment are: per capita GNP; growth rate of the economy over recent years; consumer spending patterns; urban vs. rural split; literacy rate; education ratios; and access to TV and radio. Furthermore, understanding the role that the private sector plays in the country's economy provides early clues as to the feasibility of working with the country's private sector for family planning and related health care initiatives. Finally, government stability and the country's political history are key factors to consider before contemplating any substantial initiative within a country. Some of the key questions to ask are:

- What is the level of economic development?
- What are the prospects for economic growth?
- What is the role of the private sector in the country?
- Does the government support private sector activity?
- Are there efforts to privatize sectors of the economy?
- Is the government stable?
- What is the level of unemployment?
- What is the level of foreign investment?
- What is the per capita income?
- What are the trends in these economic and development indicators?

3. USAID AND OTHER DONOR ACTIVITIES

It is important to gain a thorough understanding of USAID's priorities, as defined by the Mission's strategic objectives, in determining areas of potential intervention. The Missions' priorities are often reflected in the key

activities and projects already operating in a country. Obtain the Mission's most recent Results document (R-4) outlining its objectives, IR's, and results packages.

Activities of other donors and or groups with respect to private sector activities should likewise be reviewed and often provide clues regarding the environment for family planning and related health care intervention. They may also reveal areas that lack donor intervention.

The key questions to ask are:

- What are the Mission's priorities for the country?
- What are the key strategic objectives of USAID?
- Are there other results packages or projects already operating in country?
- What are the key PHN activities in the country?
- What are other donors doing in terms of private sector development of family planning / related health care markets?
- What other groups, organizations or parastatals are involved in these efforts?

CHECKLIST OF KEY QUESTIONS

1. POPULATION AND DEMOGRAPHIC INDICATORS

- ☐ What is the current population of the country?
- ☐ What are the trends in population growth for the country in the last few years?
- ☐ What is the age structure and average age of marriage?
- ☐ What is the current contraceptive prevalence rate?
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- ☐ What is the status of the health care sector, particularly in reference to provision of maternal/child, reproductive health care services, AIDS and STD prevention?
- ☐ What is the infant mortality rate?

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- ☐ What is the level of economic development?
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- ☐ What are other donors doing in terms of private sector development of family planning / related health care markets?
- ☐ What other groups, organizations or parastatals are involved in these efforts?

NOTES FOR GENERAL BACKGROUND RESEARCH:

TIP:

It is often helpful to compile initial findings and summarized research data on a selected country into a briefing book that can then be used as reference by the assessment team while on travel.

KEY QUESTIONS

Analysis of the Demand for Family Planning and Related Health Care

ANALYSIS OF THE DEMAND FOR FAMILY PLANNING AND RELATED HEALTH CARE

After gathering basic information and data on a given country, the next point of the assessment process is to analyze the existing market or demand for family planning / related health care products and services in the selected country.

1. DEMAND FOR FAMILY PLANNING

Demand for family planning refers to the desire or motivation of women or couples to control future fertility. One indicator of demand is the contraceptive prevalence rate (met need), which if added together with the level of unmet need, gives us an estimate of the total demand for family planning. These measures are used by Demographic and Health Surveys (DHS) and are often referred to as "current use".

A further refinement in analyzing potential demand is to estimate the number of current users who rely on the public sector to meet their family planning needs, and who might be shifted to private sector sources. We can derive the number of current public sector users by the following calculation:

(Total population) x (% MWRA) x (CPR) x (total % of public/non-private sources)

To illustrate the above, we take the case of Indonesia where in 1994:

Population	179.4 million
X MWRA	25% of population = 45 million
X CPR	52% of MWRA(modern methods only) = 23 million
x Public and non-private sources:	Public: 49% + semi-public: 23 % = 72% = 17 million

Note: Numbers are rounded off to nearest million. Source: DHS, 1994

Along with estimates of demand, it is important to review data regarding awareness and knowledge levels of the family planning methods available within a country. Such data is often included in a DHS survey or are sometimes available through specific market research studies.

Finally, whenever income surveys or segmentation studies are available, data can be used to take the demand analysis a step further by assessing the market's ability to pay (sometimes referred to as effective demand).

Willingness to pay, a factor affecting demand, has also been included in some of the more recent DHS surveys. The key questions in this analysis are:

- What is the demand for family planning products and services in particular?
- What is the level of unmet need for family planning, as defined by the most current DHS?
- Are there efforts or studies that have segmented the market (i.e. by income or affordability levels)?

2. FACTORS THAT AFFECT DEMAND FOR FAMILY PLANNING

Finding studies or data that can explain the various factors that affect demand for family planning are sometimes more difficult. However, in some cases the DHS or other studies provide information on consumers' motivations for using family planning, and may also explain preferences for sources of FP supply. If such information is available, understand why women or couples who want to limit or space births are currently not using family planning. In most cases, these may be areas that require further investigation. The key questions to address are:

- What factors affect current patterns of use for family planning?
- Is there evidence of latent demand for family planning products or services? If so, what factors constrain that demand from being realized?
- Does there appear to be room for increasing overall demand for family planning?
- What is the status of education and employment for women? Is this changing?
- What are the constraints to increasing such demand?
- What is the role of men in the demand for products and services?
- What are the social and cultural barriers to contraceptive use?

3. DEMAND FOR RELATED HEALTH CARE SERVICES AND PRODUCTS

Though demand indicators for related health care services and products may not be as readily available as those for family planning, it is still important to get a sense of the demand for these services and products. Look in particular at services and products for maternal and child health, reproductive health, and AIDS and STD treatments and prevention. Likewise, seek to understand any factors that may affect the demand for related health care services, including gender or other cultural barriers and how they affect access to

health care. The key questions to ask are:

- What is the demand for related health care services and products?
- What are the factors that affect demand for related health care services and products?
- Are these factors prioritized (i.e. children first)?
- Is demand gender-segmented (i.e. men use private and women use public services)?

4. USAID/ OTHER DONORS AND GOVERNMENT-LED ACTIVITIES

Prior or existing USAID/other donor projects to increase demand for FP/RHC (e.g., SOMARC, PCS) will likely have key information on market size and segments. In addition, government-led campaigns to increase FP/RHC usage may indicate willingness to work with the private sector and often help increase overall demand for FP/RHC products/ services in both the public and private sectors. The key questions to ask are:

- What are the USAID/other donors projects (past or present) to create or increase demand, including social marketing programs?
- What is the status of those programs?
- Have there been any government efforts to increase demand, such as IEC campaigns, or related efforts such as AIDS awareness? What were the results of these efforts?
- How do any of these programs or efforts affect public vs. private sector demand initiatives?

CHECKLIST OF KEY QUESTIONS

1. DEMAND FOR FAMILY PLANNING

- ☐ What is the demand for family planning products and services in particular?
- ☐ What is the level of unmet need for family planning, as defined by the most current DHS?
- ☐ Are there efforts or studies that have segmented the market (i.e. by income or affordability levels)?

2. FACTORS THAT AFFECT DEMAND FOR FAMILY PLANNING

- ☐ What factors affect current patterns of use for family planning?
- ☐ Is there evidence of latent demand for family planning products or services? If so, what factors constrain that demand from being realized?
- ☐ Does there appear to be room for increasing overall demand for family planning?
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- ☐ Have there been any government efforts to increase demand, such as IEC campaigns, or related efforts such as AIDS awareness? What were the results of these efforts?
- ☐ How do any of these programs or efforts affect public vs. private sector demand initiatives?

NOTES ON DEMAND ANALYSIS:

KEY QUESTIONS

Analysis of the Supply of Family Planning and Related Health Care

ANALYSIS OF SUPPLY OF FAMILY PLANNING AND RELATED HEALTH CARE

This part of the process involves determining what providers currently supply family planning/related health care products and services and to whom, as well as which products and services are available and at what prices. DHS studies often have detailed information regarding supply. To complement this information, sometimes the Missions will have previous studies done for social marketing activities

In gathering general research information, data on FP supply should have already been reviewed, including method mix and what methods are available in country. However, this analysis seeks to elaborate on supply information relative to data on current use of contraceptives and method mix. The goal of this analysis is to look deeper into supply patterns for each method and how they affect use or preferences for certain methods, including how supply may affect the level of unmet need for certain methods.

1. SOURCES OF SUPPLY

Determine the main competitors to private sources of supply, and understand the factors that influence a user's source of supply. Examine the percentage breakdown of public and private service providers, or where consumers go for FP/RHC products and services. For instance, in many countries, contraceptives available from the public sector are free or below cost. Private practitioners may have only limited access to high-priced contraceptives. In such cases, it is difficult for private distributors and private providers to compete, unless the low-cost and subsidized products offered by the government are targeted to those who can least afford to pay for them.

The most recent Demographic and Health Survey (DHS) for each country usually discusses sources of supply at great length, including breakdowns by method, by regions, urban vs. rural, etc. The key questions to address in this analysis are:

- Where do consumers obtain their products and services?
- What is the relative role of:
 - the private (NGO) sector;
 - the commercial sector; and
 - the public sector?
- Do methods used differ by type of provider?
- Does the source of supply vary by contraceptive method?
- What are the regional differences in contraceptive use, urban vs. rural?
- How are products and services currently priced?
(What are they selling for?)

- What are the normal margins or price mark-ups?
- How do the prices of contraceptive products and services vary among public sector, NGO, and commercial suppliers?
- Are there existing social marketing programs for contraceptives or other related health care products?
- To what extent are products / services subsidized by donors?
- Where do distributors get their products?
- Is there a rotating fund established to build resources in the future rather than donated?
- Are there existing commercial distribution channels?

2. PRIVATE PROVIDERS

Private providers often play a key role in the delivery of family planning / related health care services. It is therefore important to understand how providers work in each country. Determine how many work in private practice; full-time and/or part-time; whether physicians are organized in networks, are in isolated clinics or hospital-affiliated; status of midwives, nurses in delivering counseling, and services. The following questions are important to address:

- What is the profile of health care practitioners in the country? (Including doctors, OB/Gyns, general practitioners, nurses, midwives, pharmacists, traditional practitioners and others)
- What are providers doing in terms of family planning?
- What are the factors that affect supply of family planning by private providers?
- What is the level of provider knowledge, attitudes and practices on family planning and related health care services?
- What is the attitude of certain providers towards family planning methods, such as orals or injectables?
- Are providers limited in providing certain methods?
- Are there gaps in methods or knowledge/training in certain methods? What are the training needs?
- Are there service delivery practices that conflict with regulation or policy?
- What obstacles do private practitioners encounter to providing family planning products and services?
- What is the role of different providers, in terms of methods or price levels?
- What is the role of women providers?
- Are there differences in the quality of care provided by private sector providers?

- Are providers forming networks? Are there existing models of franchised clinics?
- Which NGOs play a significant role in providing services? Are they able to sustain their operations on their own financially?

3. DISTRIBUTION

Analyze how the pharmaceutical industry and distribution infrastructure works in a given country, including the distribution of contraceptives from wholesale to retail channels. Quantify price levels/margins at each distribution point. Understand the retail-level constraints to consumer access. Also address any issues that affect commercial product distribution such as leakage of product from public or NGO sources. The important questions to address are:

- How are family planning/RHC products distributed? What is the distribution infrastructure and how does it work? How does it relate to the manufacturer?
- Are there local manufacturers of product?
- What are the channels of distribution?
- What are the largest sources of retail sales?
- What are the constraints to product distribution? Is it profitable?
- Does the distribution system vary by contraceptive method or by product?
- Are there product leakages? (Do donated products from public and/or NGO sources "leak" into the commercial market?)
- Do suppliers and providers view product leakage as a problem?
- Do all NGOs sell the products for the same price?

Compare the role of providers for related health care services to family planning providers, if any. Determine whether or not providers offer a broad range of services to consumers, or if there are gaps that can be filled by the private or commercial sector. Also, pay attention to quality of care, as perceived by the government, the medical community and consumers. The key question to ask here is:

- What are the main sources of supply for other levels of health care products and services? What is the role of each of the following in providing health care?
 - Public health care system
 - Commercial health care
 - NGOs and other non-profit groups
- How does the provision of FP services and products differ from the provision of related health care services and products?

CHECKLIST OF KEY QUESTIONS

1. SOURCES OF SUPPLY

- ☐ Where do consumers obtain their products and services?
- ☐ What is the relative role of:
 - ☐ the private (NGO) sector;
 - ☐ the commercial sector; and
 - ☐ the public sector?
- ☐ Do methods used differ by type of provider?
- ☐ Does the source of supply vary by contraceptive method?
- ☐ What are the regional differences in contraceptive use, urban vs. rural?
- ☐ How are products and services currently priced?
(What are they selling for?)
- ☐ What are the normal margins or price mark-ups?
- ☐ How do the prices of contraceptive products and services vary among public sector, NGO, and commercial suppliers?
- ☐ Are there existing social marketing programs for contraceptives or other related health care products?
- ☐ To what extent are products / services subsidized by donors?
- ☐ Where do distributors get their products?
- ☐ Is there a rotating fund established to build resources in the future rather than donated?
- ☐ Are there existing commercial distribution channels?

2. PRIVATE PROVIDERS

- ☐ What is the profile of health care practitioners in the country?
(Including doctors, OB/Gyns, general practitioners, nurses, midwives, pharmacists, traditional practitioners and others)
- ☐ What are providers doing in terms of family planning?
- ☐ What are the factors that affect supply of family planning by private providers?
- ☐ What is the level of provider knowledge, attitudes and practices on family planning and related health care services?
- ☐ What is the attitude of certain providers towards family planning methods, such as orals or injectables?
- ☐ Are providers limited in providing certain methods?
- ☐ Are there gaps in methods or knowledge/training in certain methods?
What are the training needs?

- ☐ Are there service delivery practices that conflict with regulation or policy?
- ☐ What obstacles do private practitioners encounter to providing family planning products and services?
- ☐ What is the role of different providers, in terms of methods or price levels?
- ☐ What is the role of women providers?
- ☐ Are there differences in the quality of care provided by private sector providers?
- ☐ Are providers forming networks? Are there existing models of franchised clinics?
- ☐ Which NGOs play a significant role in providing services? Are they able to sustain their operations on their own financially?

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- ☐ Does the distribution system vary by contraceptive method or by product?
- ☐ Are there product leakages? (Do donated products from public and/or NGO sources "leak" into the commercial market?)
- ☐ Do suppliers and providers view product leakage as a problem?
- ☐ Do all NGOs sell the product for the same price?
- ☐ What are the main sources of supply for other levels of health care products and services? What is the role of each of the following in providing health care?
 - ☐ Public health care system
 - ☐ Commercial health care
 - ☐ NGOs and other non-profit groups
- ☐ How does the provision of FP services and products differ from the provision of related health care services and products?

NOTES ON SUPPLY ANALYSIS:

KEY QUESTIONS

Assessment of Financing Options

ASSESSMENT OF FINANCING OPTIONS

This part of the assessment process seeks to analyze how family planning and related health care services are being financed, and to examine whether financing mechanisms can facilitate the expansion or access to services among consumers. This is particularly important in countries where consumers may have difficulty paying for private health care services when services are rendered, and where alternative means of paying for services should be considered.

1. HEALTH INSURANCE

An assessment of the health insurance industry starts with understanding the role of any public sector or social security insurance systems already in place in the country. Since risk sharing mechanisms work better with larger volumes, the viability of social insurance schemes is dependent on the level of enrollment. Key questions to ask include:

- Is there a public insurance / social security system in place? If so, what does it cover or what benefits does it include?
- Does the insurance system cover preventive care? Does it cover any FP or RHC services?
- How many members are enrolled in the system? What per cent of the population does the system cover?
- How many of the enrolled participants seek services?
- Where do they go if they chose not to use the services?
- If they chose not to use the services, what factors are involved in that decision?
- What is the population's level of awareness of the insurance system in place?

To determine the role of insurance in paying for health care, it is helpful to understand what percentage of the population is covered by private health insurance versus private consumer expenditures (out-of-pocket). Assess differences against trends for lower vs. higher income countries. Determine the public's perceptions towards private health insurance. Coverage of FP/RHC services helps determine whether insurers have a financial interest in covering family planning services. Assess how insurance plans control for two key issues: moral hazard and adverse selection. Some of the key questions to ask are:

- What is the relative importance of private health insurance in the country? (Distinguish between community-based schemes and commercial insurance plans)
- What benefits do private insurance plans cover?
- Do they cover preventive care? Do they include FP/RHC services? If not, why?

- What is the level of awareness of private health insurance?
- What is the size of the risk pools (how many beneficiaries are there)?
- What kinds of cost control measures are in place?
- Are their utilization review systems? What other review mechanisms are in place?
- What is the perceived quality of the services?

Examine the health care sector in terms of reforms or industry trends towards managed care, network of providers, insurance management firms, etc. that may offer opportunities to broaden the range of services to consumers. Key questions to ask are:

- Are service providers forming networks that affiliate with insurers?
- Are third party administrators being established?
- Are insurers and third-party administrators establishing utilization review and other forms of controlling services?

2. EMPLOYER-BASED HEALTH CARE

Determine if employer-provided health care services or employee benefits include FP/RHC services or products. In some countries, employers are required to provide or to finance health care coverage for their employees, either through payments to government social programs and/or private health care schemes. In some settings, employers chose to deliver the health care directly, thus creating opportunities to provide FP/RHC services to large groups of employees, either on-site or through contracted suppliers.

Important questions to ask are:

- Is there available data by gender in the labor force? What are the country's larger industries? Are there differences in labor force trends by region?
- Are private employers, especially large employers of women workers, providing health care services to employees? If so, what services do they cover?
- Do any large companies operate health clinics for their employees?
- Does the government have any programs or laws regarding employer provision of family planning/related health care services?
- Is there interest by larger companies in providing or financing employer-based health care?

3. CREDIT AND CAPITAL

Determine whether providers have a need for financing to establish or expand their private practices. Taking the supply analysis a step further, determine whether access to credit can expand the delivery or distribution of certain services or products.

- Do providers have access to credit? Is financing from traditional sources available for providers? If so, at what rates and borrowing terms?
- How do providers finance their private practices?
- Do they need business training?
- Are there other credit or financing needs to expand the supply of products or services?
- Is there need for financing among midwives, nurses or para-medical practitioners to expand their services?
- Are micro-lending programs targeting health care providers?
- Are traditional lenders or other financing organizations interested in providers' loan funds?

CHECKLIST OF KEY QUESTIONS

1. HEALTH INSURANCE

- ☐ Is there a public insurance / social security system in place? If so, what does it cover or what benefits does it include?
- ☐ Does the insurance system cover preventive care? Does it cover any FP or RHC services?
- ☐ How many members are enrolled in the system? What per cent of the population does the system cover?
- ☐ How many of the enrolled participants seek services?
- ☐ Where do they go if they chose not to use the services?
- ☐ If they chose not to use the services, what factors are involved in that decision?
- ☐ What is the level of awareness of the insurance system in place?
- ☐ What is the relative importance of private health insurance in the country? (Distinguish between community-based schemes and commercial insurance plans)
- ☐ What benefits do private insurance plans cover?
- ☐ Do they cover preventive care? Do they include FP/RHC services? If not, why?
- ☐ What is the level of awareness of private health insurance?
- ☐ What is the size of the risk pools (how many beneficiaries are there)?
- ☐ What kinds of cost control measures are in place?
- ☐ Are their utilization review systems? What other review mechanisms are in place?
- ☐ What is the perceived quality of the services?
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NOTES ON FINANCING ASSESSMENT:

Assessment of the Environment and Policy Issues

ASSESSMENT OF THE ENVIRONMENT AND POLICY ISSUES

The final part of the assessment aims to determine whether the policy and regulatory environment is conducive to or, at a minimum, would not obstruct a private sector family planning/related health care initiative. Determine whether it is feasible to attempt to improve the environment for family planning and other reproductive and related health services. The questions in this part of the assessment are structured around the CMS results framework. The main areas to examine are:

1. ENVIRONMENT AFFECTING DEMAND

- Are there restrictions to prevent actions supporting or increasing demand among consumers for private and commercially provided FP/RHC products and services?
- Are there laws in place that protect/promote private sector participation?
- Is there strong political/social pressure (i.e. the Catholic Church) against promotion?
- Is the government involved in promoting or working with the private sector?

GOVERNMENT POLICY

One critical factor that affects demand is government support for FP/RHC. Therefore, it is important to establish the attitude of the government towards family planning in general and how the government sees the role of the private sector in particular. Government support may sometimes be limited to specific methods, or sees its role limited to demand creation but not supply of FP. Look also at government programs for RHC. Determine whether or not the government limits, or is willing to limit, access to services through means testing or other ways. Determine the government's willingness to promote private services for those who are willing to pay. The key questions to ask are:

- Does the government support family planning programs? What is the government's policy towards family planning?
- If the government does support family planning, what types of family planning programs (and methods) does the government support?
- Is advertising of family planning programs or products permitted? What products have been advertised so far, and how long?
- What is the government's policy towards other related health care services and/or products? What government RHC programs are in place?

- Is advertising of RHC products permitted? What products have been advertised so far and how long?
- Are there restrictions on advertising of branded products versus generics?
- Does the government target its services (to those who can least afford to pay)? Are there efforts by the government to segment the market?
- What is the government's attitude towards private sector health care services and the private sector in general?

CULTURAL AND RELIGIOUS ATTITUDES

Also important factors to consider in assessing the environment are the cultural and religious attitudes towards FP/RHC products and services. The key questions to ask are:

- Are there religious restrictions or cultural biases against particular contraceptive methods (e.g. age, parity)?
- Are there provider constraints or biases against the delivery of certain methods?

CORPORATIONS/ SOCIAL RESPONSIBILITY

In some countries, large corporations or organizations take a lead role in social causes or other cause-related marketing efforts that affect public's perceptions and awareness of such issues. Therefore it would be worthwhile to ask the following questions:

- What are the major industries in the country?
- What corporations might be interested in partnerships for FP/RHC?
- What corporations have engaged in FP/RHC or other cause-related marketing efforts?

2. ENVIRONMENT AFFECTING SUPPLY

- What can be done to support / increase supply of private and commercially provided FP/RHC?

INVESTMENT CLIMATE AND CONTROLS

Determine if the country is attractive for a private sector intervention and whether the private sector is able to finance new activities. Assess whether trade regulations help or inhibit the distribution and movement of vital products and services, and whether currency controls restrict private sector activity, or if import duties impact the supply of product. Assess whether

investment policies or regulations promote foreign companies from establishing health care ventures or insurance programs.

- What is the investment climate? Does it encourage private sector intervention?
- Is the level of private investment rising? Is foreign investment increasing in health care activities?
- Is trade in the pharmaceutical sector impacted by regulations or policies?
- Is credit available?
- What are the prevailing interest rates?
- Are there foreign exchange controls? If so, what are their effects on imported goods and private industry?

PUBLIC HEALTH CARE SYSTEM

The government is often a key provider of FP/RHC products and services, therefore address the public health care system and the changes taking place in the public health care environment. Ask the following questions:

- How are public health care services provided through the existing structure? (e.g. centralized government or localized)
- Are there plans to privatize the delivery of health care?
- Are there plans for public sector outsourcing to the private sector?
- Are there regulations that might induce or coerce employers to offer health and/or family planning benefits, such as a requirement to provide employees with health insurance or to run a health clinic on company premises?
- Is there interest in sustainable solutions for providing health care products/services?

PHARMACEUTICALS

Look at the prevailing environment for the pharmaceutical industry and whether or not there are areas to help affect or build regulations to encourage increased commercial sector supply of FP/RHC products and services. Ask such questions as:

- Is the sale or distribution of pharmaceutical products (particularly contraceptives and/or RHC products) regulated?
- Are there import and/or price controls on pharmaceutical products?
- Are there constraints to registering products for purposes of social marketing?

3. STANDARDS AND QUALITY OF FP/RHC

- What improvements are necessary in the public, private and commercial sectors to improve the standards and quality of FP/RHC products and services?

REGULATION OF PRIVATE PRACTICES

- Are regulations on the establishment of private practices overly burdensome?
- Do they prevent any private practitioners from establishing practices?
- Are private health care providers restricted as to which methods they can offer?
- What training is required to provide a given family planning method?
- Is there a need to develop or enforce quality of care standards or approaches?
- Are there opportunities for public / private collaboration on quality of care regulation?
- Is there a need for licensing or certification of any health care providers or facilities?
- Are there any new health sector industries / facilities that are as yet unregulated?

4. POLICY AND PLANNING

- What sources of data are used/needed by public, private and commercial sectors to improve policy and planning?
- Is there a need to increase such tools as the National Health Accounts, or the need for data to implement insurance plans in the country?

CHECKLIST OF KEY QUESTIONS

1. ENVIRONMENT AFFECTING DEMAND

- ☐ Are there restrictions to prevent actions supporting or increasing demand among consumers for private and commercially provided FP/RHC products and services?
- ☐ Are there laws in place which protect/promote (that could be reinforced) private sector participation?
- ☐ Is there strong political/social pressure (i.e. the Catholic Church) against promotion?
- ☐ Is the government involved in promoting or working with the private sector?

GOVERNMENT POLICY

- ☐ Does the government support family planning programs? What is the government's policy towards family planning?
- ☐ If the government does support family planning, what types of family planning programs (and methods) does the government support?
- ☐ Is advertising of family planning programs or products permitted? What products have been advertised so far, and how long?
- ☐ What is the government's policy towards other related health care services and/or products? What government RHC programs are in place?
- ☐ Is advertising of RHC products permitted? What products have been advertised so far and how long?
- ☐ Are there restrictions on advertising of branded products versus generics?
- ☐ Does the government target its services (to those who can least afford to pay)? Are there efforts by the government to segment the market?
- ☐ What is the government's attitude towards private sector health care services and the private sector in general?

CULTURAL AND RELIGIOUS BARRIERS

- ☐ Are there religious restrictions or cultural biases against particular contraceptive methods (e.g. age, parity)?
- ☐ Are there provider constraints or biases against the delivery of certain methods?

CORPORATIONS/ SOCIAL RESPONSIBILITY

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- ☐ What corporations might be interested in partnerships for FP/RHC?
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- ☐ What can be done to support / increase supply of private and commercially provided FP/RHC?

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NOTES FOR ASSESSMENT OF ENVIRONMENT AND POLICY ISSUES:

SECTION III

Information Sources

INFORMATION SOURCES

General data and key information will come from two sources: (1) secondary research sources, both prior to travel and in-country, and (2) interviews to be conducted both prior to travel and in-country.

SECONDARY RESEARCH SOURCES

1. GENERAL BACKGROUND DATA AND DEMOGRAPHIC STATISTICS

- Demographic and Health Surveys (DHS) by Macro International
- Center for Disease Control (CDC) / Endemian Studies
- UNDP or UNFPA (www.undp.org/popin)
- World Bank: Living Standard Measurement Surveys (LSMS) and other studies
- Population Reference Bureau (PRB) country briefing packets
- G/PHN Country Backstops

2. DEMAND /SUPPLY DATA AND MOTIVATING FACTORS

- Demographic and Health Surveys (DHS)
- General health sector studies and surveys for countries available
- Surveys or studies from other organizations
- Previous in-country social marketing studies

3. ECONOMIC AND INCOME DATA

- UNDP or UNFPA country data (see online sources)
- Organization for Economic Cooperation and Development (OECD) country studies
- World Bank, International Monetary Fund, and the regional development banks (see online sources)
- Local advertising agencies sometimes track socioeconomic data to determine people's ability to pay for a given product or service, using a variety of variables, including educational level, occupation, ownership of selected consumer goods, living situation, expenditures, and income
- Demographic and Health Surveys (DHS)

4. HEALTH CARE PRACTITIONERS

- Professional medical associations (e.g., of doctors, OB/GYNs, midwives, pharmacists) can provide information on the practitioners in a given country, their numbers and sometimes, the percentage of practitioners in the public and private sectors.
- Check if professional associations can help set up focus group discussions with their members or can facilitate the conduct of a survey, for example, to determine the range of current family planning services or obstacles faced by private practitioners.

5. LEVEL OF COMMERCIAL ACTIVITY

- The major accounting firms typically publish reports on the business climate in a given country. For example, Deloitte Touche Tohmatsu International publishes a report entitled, The International Tax and Business Guide Series, which is currently available for 48 countries or regions.
- The Economist Intelligence Unit (based in London) also produces reports on the business climate in selected countries.

6. REGULATORY ENVIRONMENT FOR THE HEALTH AND FAMILY PLANNING SECTORS

- Health expenditure surveys provide such information as the incidence of illnesses.
- National Health Accounts shows how resources are allocated among the public and private sectors.
- Secondary reports from other groups such as USAID and the World Bank occasionally provide an overview of the regulatory environment for the health or family planning sectors.
- In other instances, it is necessary to conduct a regulatory review firsthand. Two guides can help:
 - Genevieve Kenney, *Assessing Legal and Regulatory Reform in Family Planning* (Washington, DC: OPTIONS for Population Policy, The Futures Group International).
 - Frank Feeley, *Practical Pointers for Conducting Commercial Sector Family Planning Assessments* (Arlington, VA: PROFIT Project).

INTERVIEWS

1. USAID MISSION / PHN OFFICES

Assessments must start with an understanding of USAID Mission objectives and priority areas as key considerations. Some of this information is also available online. In some Missions where there are no PHN offices, seek the appropriate person at the functional level equivalent of the PHN Officer. Also be prepared to provide them with information on this field.

2. MINISTRY OF HEALTH

Ministries of Health are the best sources of information on existing and proposed policy and programs. They also have access to helpful information and research data. A Director-level officer who oversees program implementation might be more helpful than meeting with the Minister. If possible, ask to meet with the Director of Pharmaceutical and/or Product Registration.

3. OTHER DONORS OPERATING WITHIN THE COUNTRY

Meetings with other donors/project officers often provide valuable information based on their experiences within a country, and can lead to ideas for potential collaboration.

4. OTHER PHN PROJECTS OR COLLABORATING AGENCIES

Collaboration opportunities with other CAs already operating in a country should be explored and they often provide helpful studies and sources of information. CAs already operating in a country provide valuable assessments of local capacities, including staffing, office and administrative support, etc.

5. NON-GOVERNMENTAL ORGANIZATIONS PROVIDING FP/RCH PRODUCTS AND SERVICES

Interviews with non-governmental organizations help team members to assess the various issues that NGOs face in seeking to provide services and products.

6. COMMERCIAL SECTOR PROVIDERS AND FINANCIERS OF FP/RHC

Meetings with potential commercial sector partners should include:

- providers (doctors, midwives, etc.)
- provider associations;
- pharmaceutical companies
- manufacturers
- distributors
- retailers
- health care management companies
- health insurance companies
- HMOs, industry association, etc.

7. CMS CONSORTIUM MEMBERS OPERATING WITHIN COUNTRY

CMS consortium members that have already established offices or operations within the country are usually valuable sources of information regarding the local operating climate. Often, they can also provide logistical support to team members while conducting assessments.

8. TRAINING GROUPS

9. SURVEY OR MARKET RESEARCH AGENCIES

10. ADVERTISING / PR AGENCIES

While in country, obtain recommendations for good and reputable organizations or agencies to work with. Drop by their offices if there is time during the trip in order to assess their operations and get a feel of local capacities.

APPENDIX:

Suggested Outline for Country Assessment Document

APPENDIX: SUGGESTED OUTLINE FOR COUNTRY ASSESSMENT DOCUMENT

BACKGROUND INFORMATION

1. General background
 - a) Demographics: population size; age structure; marriage trends; growth trends
 - b) General economic status / development of the country
 - c) Role of the private sector in the economy / key privatization efforts
 - d) Government stability; political atmosphere
2. Family Planning / Related Health Care background
 - a) Family planning / fertility indicators (CPR, method mix, etc.)
 - b) Provision of services; public / private sector mix
 - c) Other health status indicators (maternal and child health, AIDs, STDs, etc.)
 - d) Overview of government FP / RHC programs and priorities
 - e) USAID / PHN efforts in country
 - f) Activities of other donors in FP/ RHC
3. Summary of background section / initial findings

ANALYSIS OF DEMAND FOR FAMILY PLANNING / RELATED HEALTH CARE PRODUCTS OR SERVICES

1. Demand for Family Planning products or services
 - a) Size of the existing market / demand for FP products or services
 - b) Unmet need for FP
 - c) Factors that affect or inhibit demand for FP
2. Demand for Related Health Care
 - a) Size of the existing market / demand for RHC products or services
 - b) Latent demand for RHC
 - c) Factors that affect or inhibit demand for RHC
3. Summary of findings; potential opportunities to increase demand

ANALYSIS OF SUPPLY OF FAMILY PLANNING / RELATED HEALTH CARE PRODUCTS OR SERVICES

1. Sources of supply for FP products or services
 - Supply of FP by:
 - public vs. private / commercial sector;

- by method
- regional differences; urban vs. rural
- a. Private sector supply (providers, manufacturers, distributors, retailers, social marketing programs, NGOs, etc.)
- b. Consumer preferences in obtaining FP products or services
- c. Factors that affect or limit supply of FP products or services
- 2. Sources of supply for RHC products or services
 - a. Supply for RHC by public and private sector
 - b. Private sector supply of RHC products and services
 - c. Consumer preferences in obtaining RHC products or services
 - d. Factors that affect or limit supply RHC products or services
- 3. Summary of findings; potential opportunities to increase supply

ASSESSMENT OF FINANCING OPTIONS

1. Health insurance sector
2. Employer-provided programs
3. Credit and capital, for:
 - Providers
 - Distributors or retailers
4. Summary of findings; potential opportunities to assist with financing

ASSESSMENT OF ENVIRONMENT AND POLICY ISSUES

1. Environment affecting demand for FP/RHC products and services
2. Environment affecting supply of FP/RHC products and services
3. Standards and Quality of FP/RHC
4. Policy and Planning

FINDINGS AND CONCLUSIONS

1. Areas for CMS research
2. Potential areas for CMS intervention

NEXT STEPS / TIME FRAME

ATTACHMENTS / POSSIBLE ATTACHMENTS MAY INCLUDE:

1. Sources of Information

